



Los Angeles County Local Government Services Commission

April 1, 2014

Metropolitan Water District of Southern California



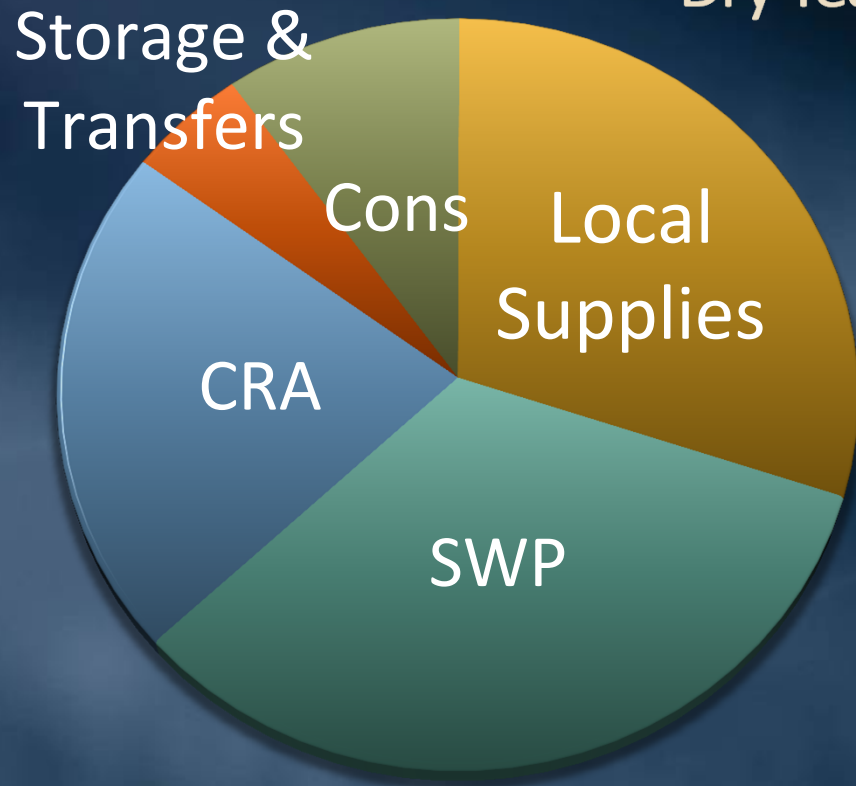
- Regional Water Wholesaler to 6 counties
 - 5,200 square miles
- 26 Member Agencies
 - 200+ Retail Agencies
- 37 Member Board of Directors
- ~19 million residents
- Regional economy: ~\$1 trillion
- Estimated Retail Demand:
 - 4 million acre-feet
 - Provide about ½ of retail demands

Sources of Water for Southern California



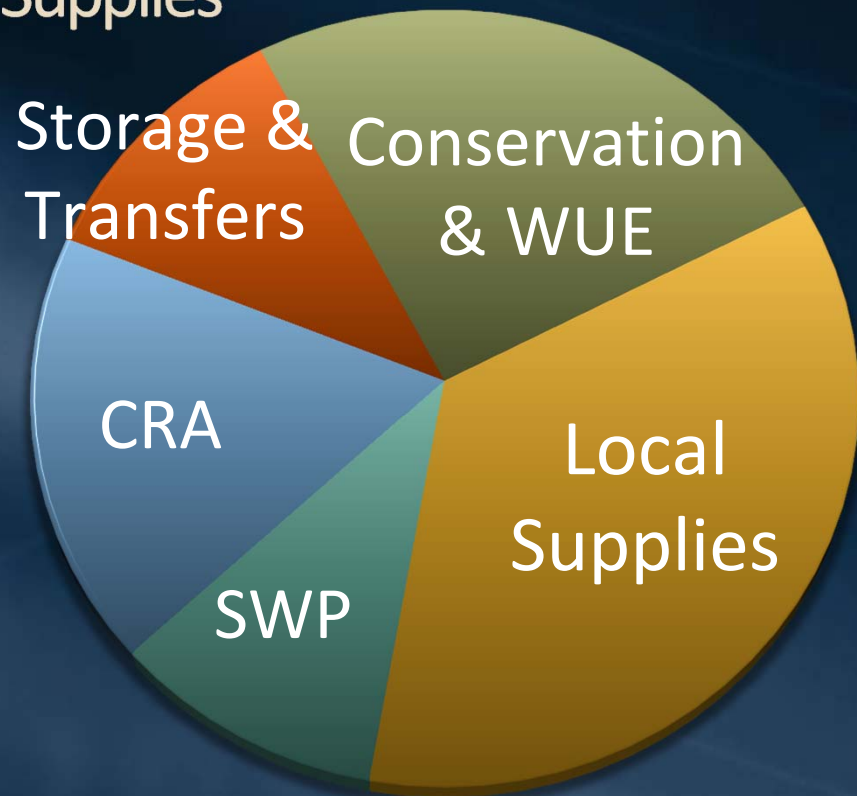
Diversification of Water Portfolio

Dry Year Supplies



Early 1990's

Heavy dependence on imported supply and SWP Diversions



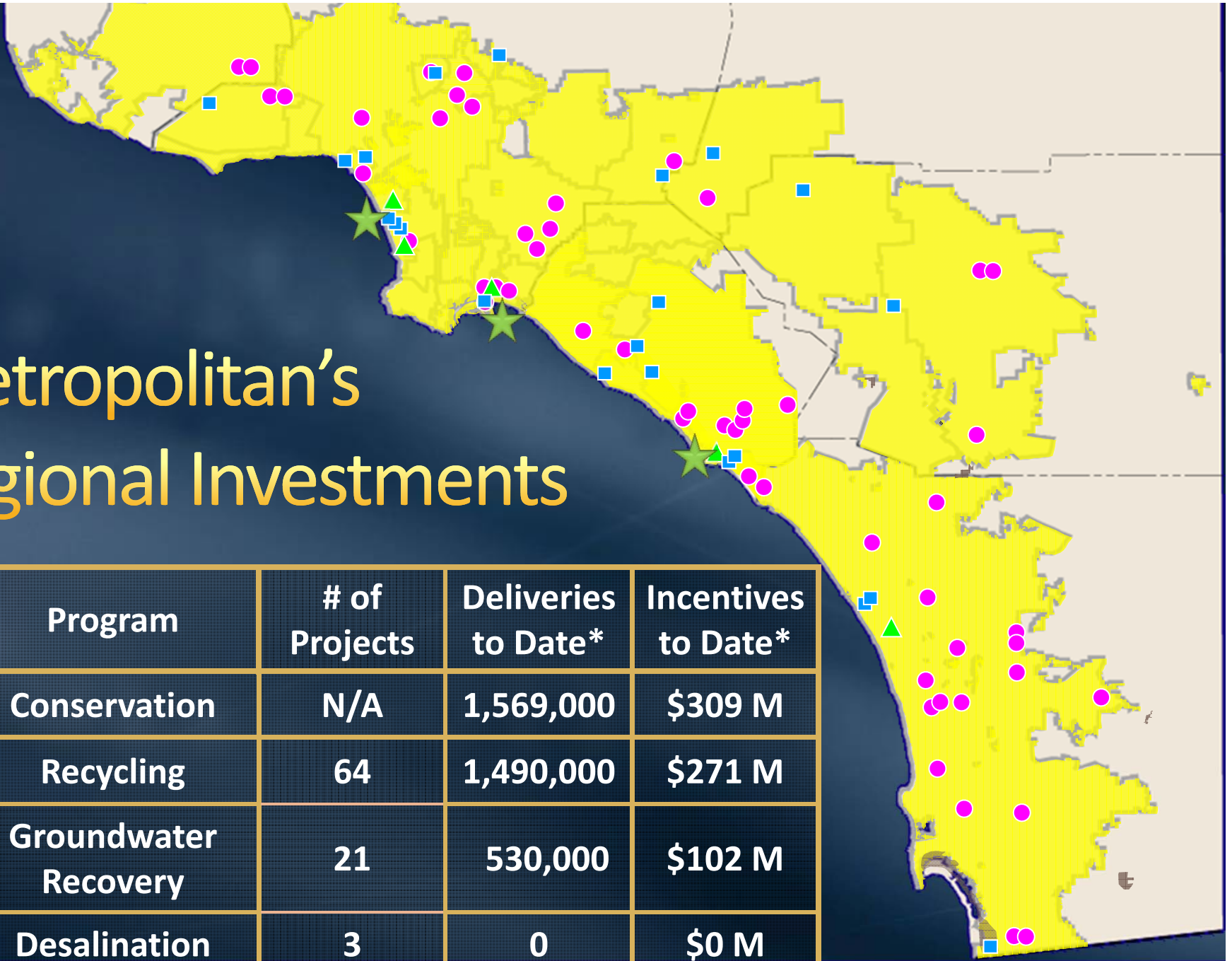
The IRP Strategy

Emphasis on Conservation, Local Supplies, and Storage & Transfers

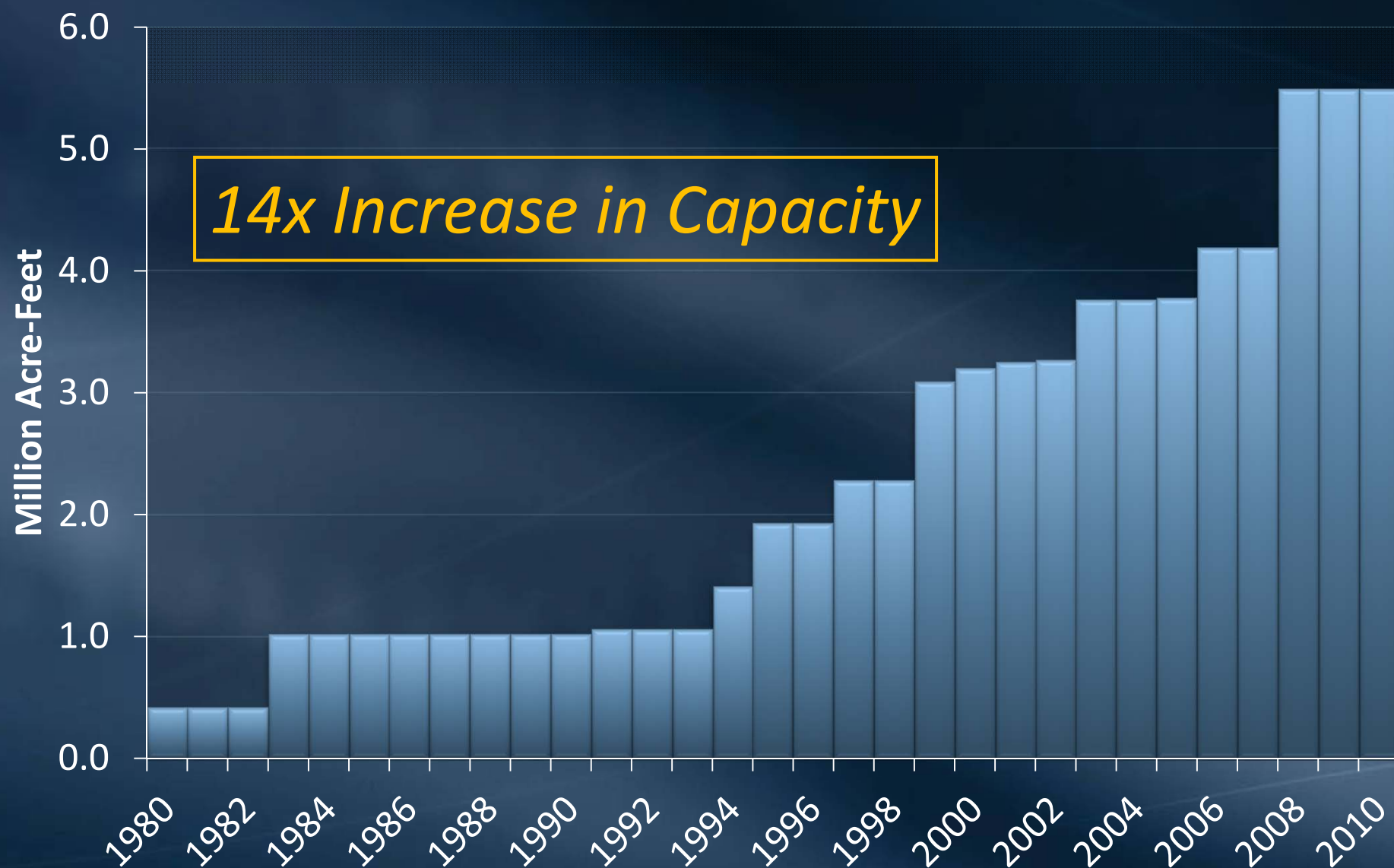
Metropolitan's Regional Investments

	Program	# of Projects	Deliveries to Date*	Incentives to Date*
■	Conservation	N/A	1,569,000	\$309 M
●	Recycling	64	1,490,000	\$271 M
■	Groundwater Recovery	21	530,000	\$102 M
★	Desalination	3	0	\$0 M

*Through FY 2010/11



Metropolitan's Storage Capacity



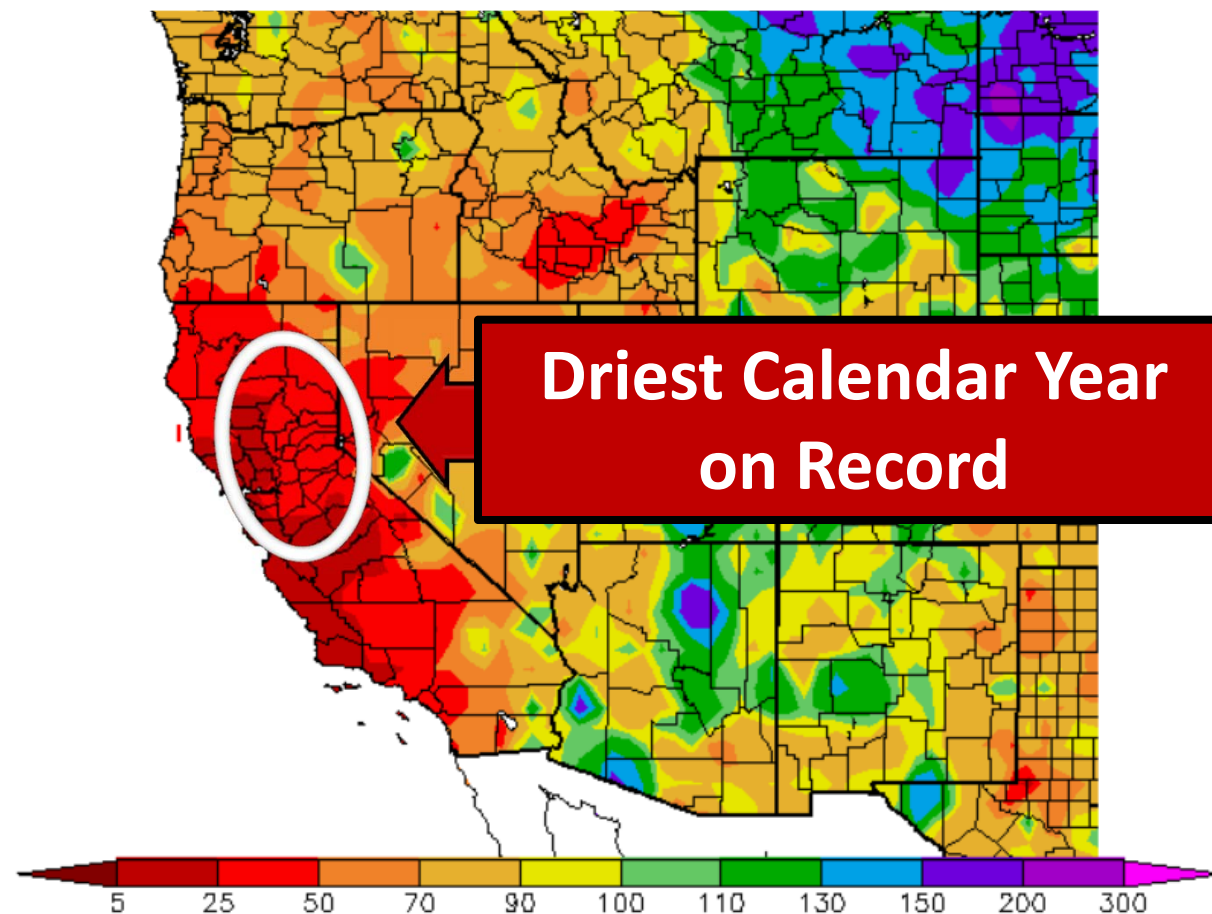
The 2014 Drought Emergency

State of California Drought Emergency

- Governor Brown declaration on January 17
- “Perhaps the worst drought California has seen since records began being kept”
- Calls for citizens to do their part and reduce water use by 20 percent

2013 Hydrologic Conditions

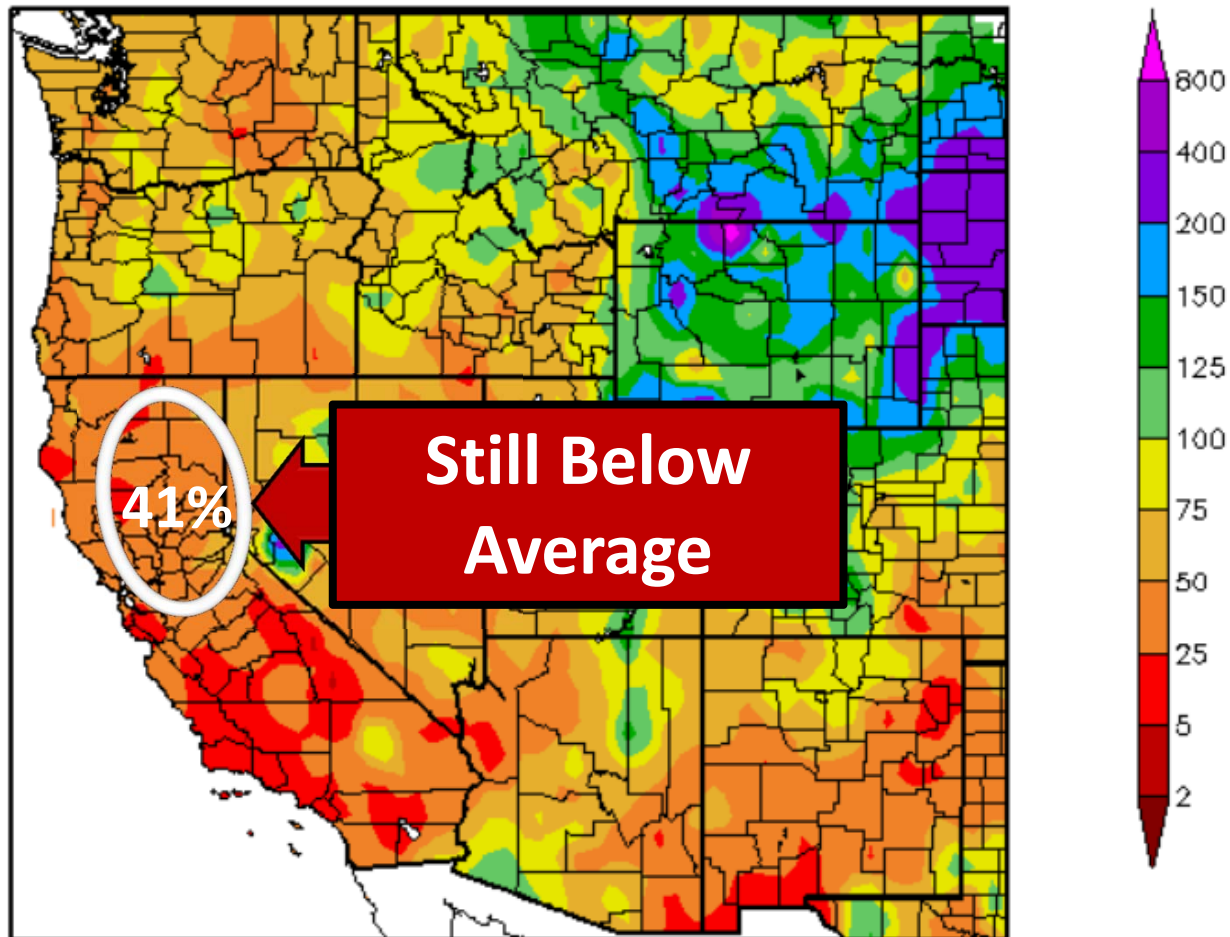
Percent of Average Precipitation (%)
Calendar Year 2013



Generated 1/09/2014 at WRCC using provisional data.
NOAA Regional Climate Centers

2014 Hydrologic Conditions

Percent of Average Precipitation (%)
Water Year to Date

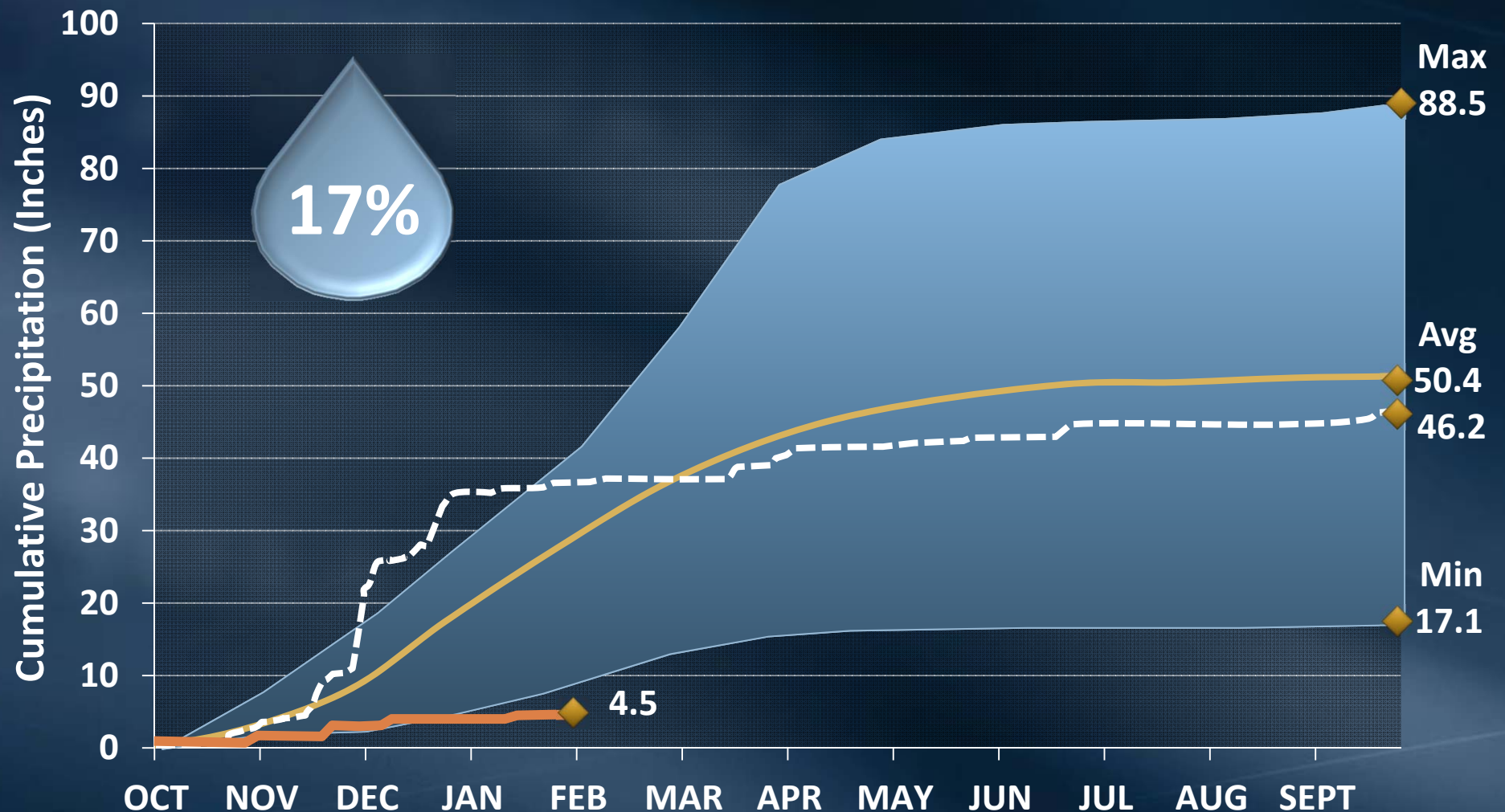


Key Events This Year

- February snow survey was only 12% of normal snowpack to date
- DWR reduced the SWP Table A Allocation to zero percent (January 31)
- March snow survey was 22% of normal snowpack to date
- April snow survey is not complete, sensors at 25% as of March 27
- SWP Table A Allocation has not increased

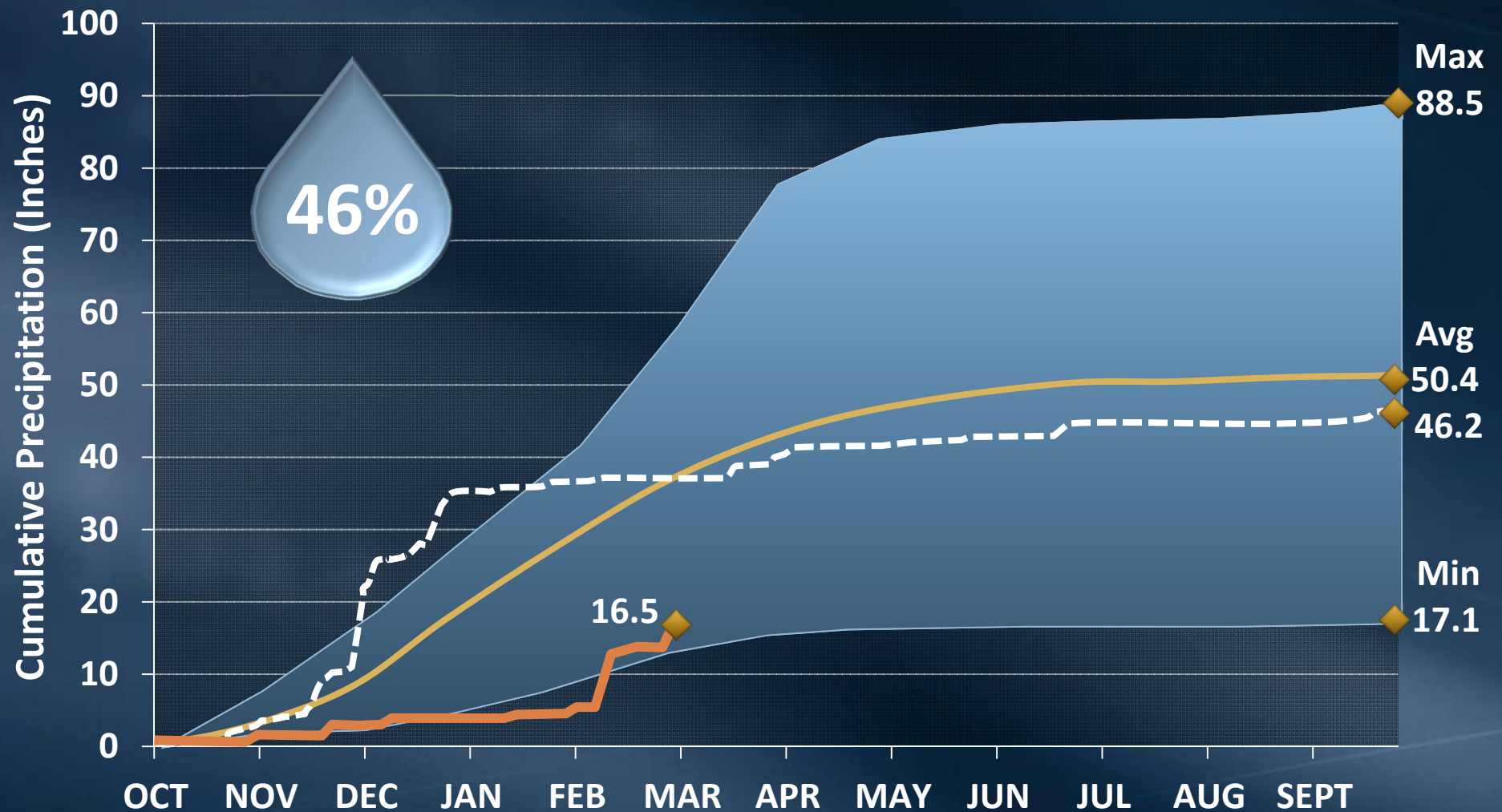
Northern Sierra Hydrologic Conditions

Eight Station Index WY 1922-2013



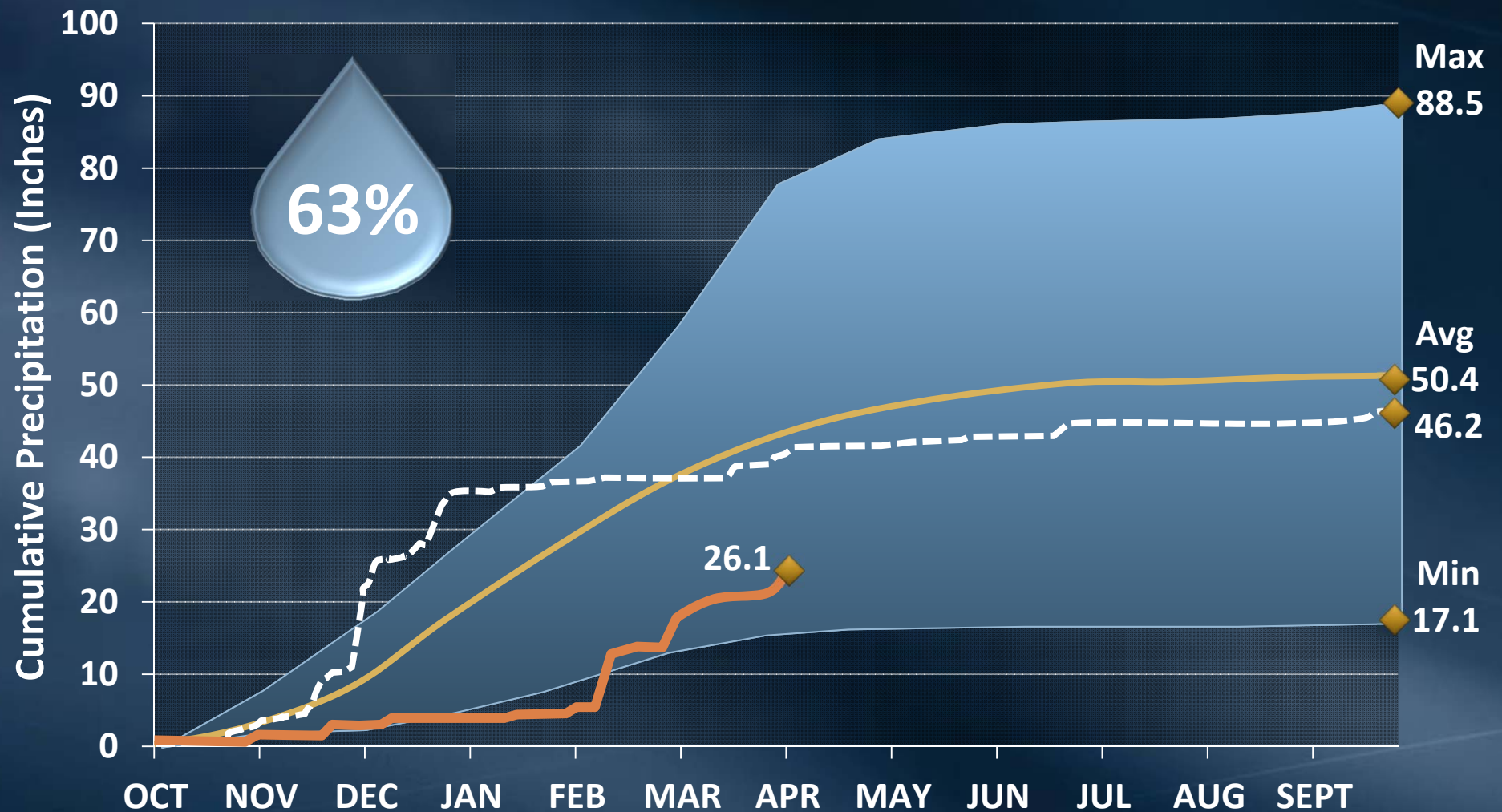
Northern Sierra Hydrologic Conditions

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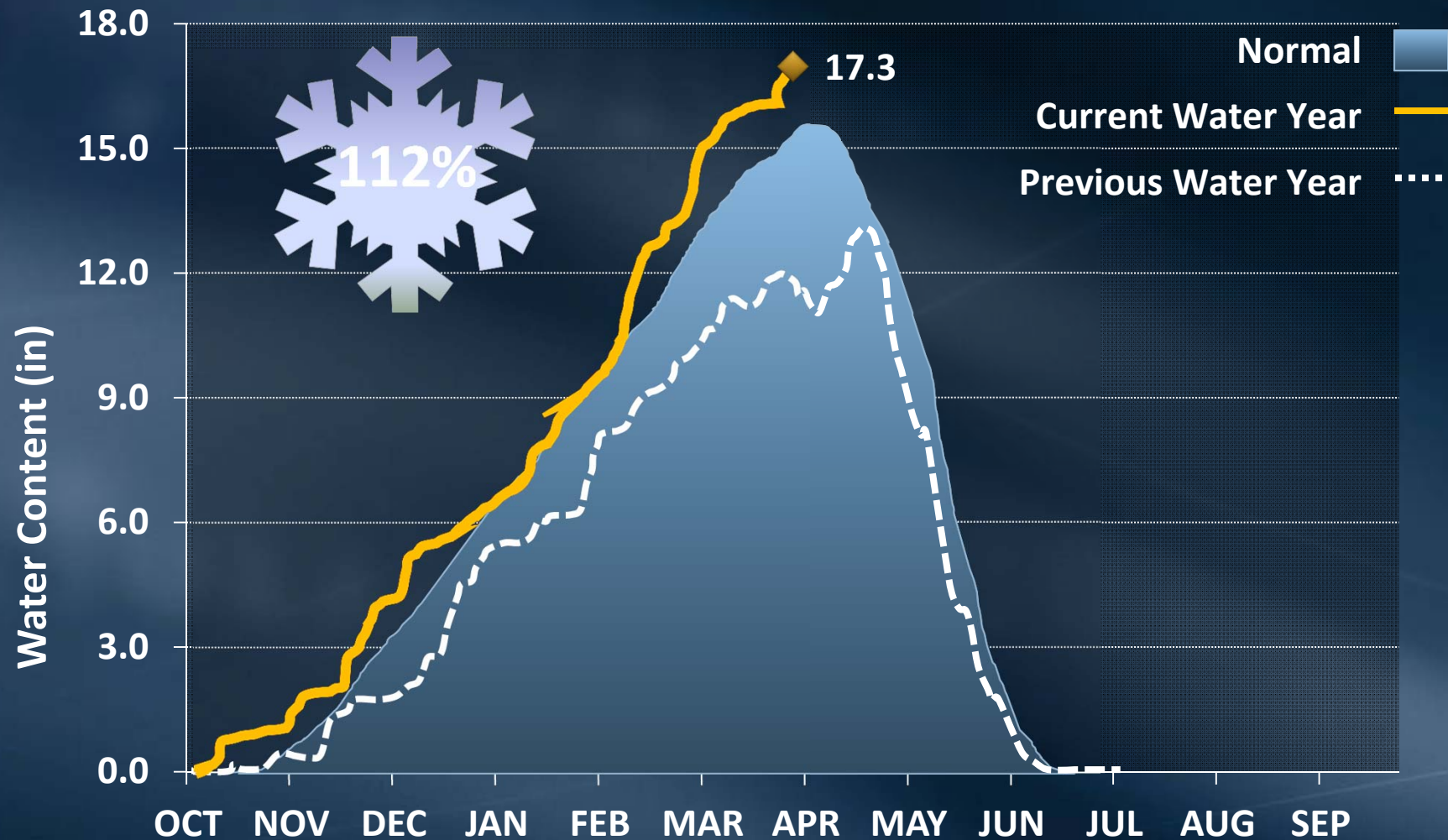
Northern Sierra Hydrologic Conditions

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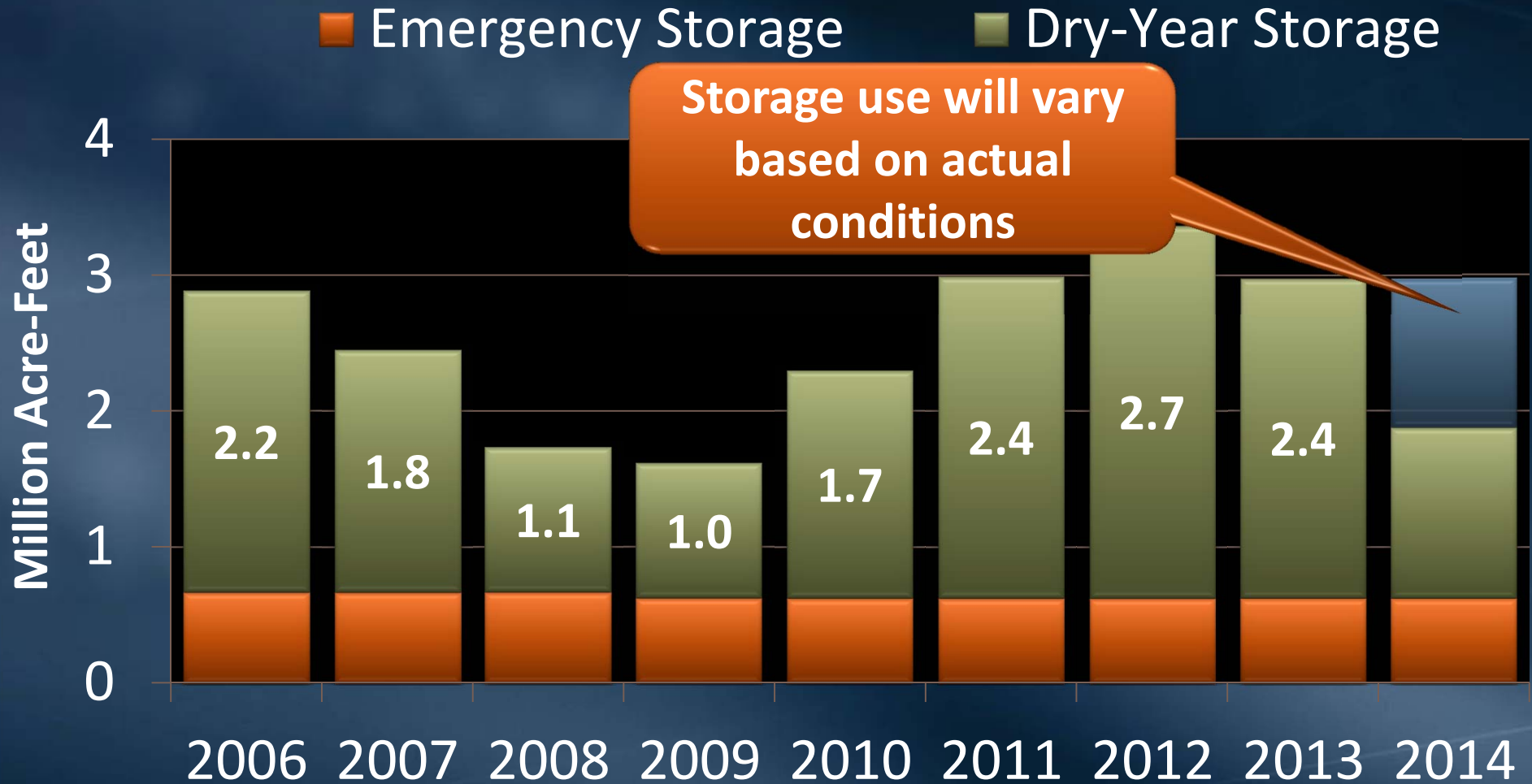
Colorado River Hydrologic Conditions

Upper Colorado Basin Snowpack



MWD Storage Reserves

End of Year Balances*



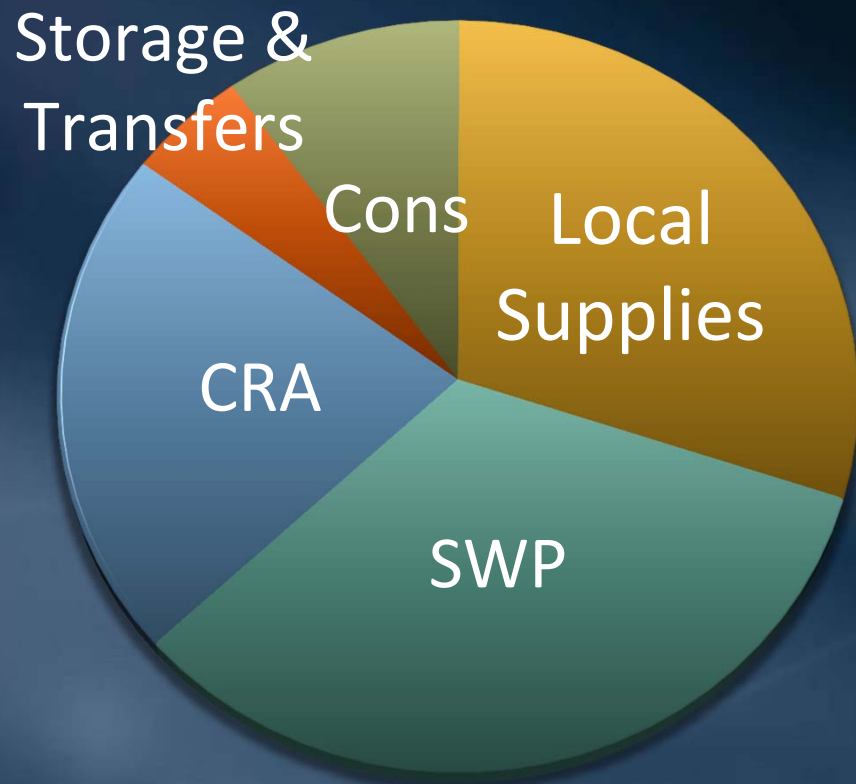
*Estimated actual storage balances, may be subject to change.

Metropolitan's Drought Actions

- Metropolitan has prepared through the IRP
 - Metropolitan is prepared to use storage
 - Water use efficiency is important region-wide
- Metropolitan is taking drought actions
 - Water Supply Alert
 - Conservation and Recycled Water Budget
 - Coordination with other agencies
 - Operational changes to maximize CRA use

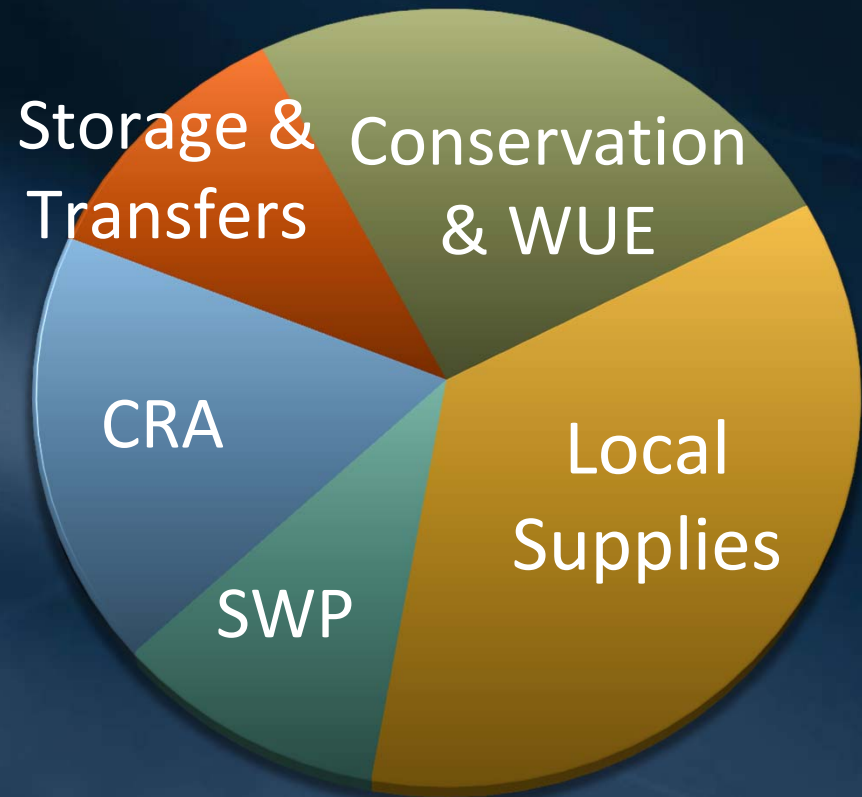
Keys for the Future

Diversification of Water Portfolio



Early 1990's

*Heavy dependence on
imported supply
and SWP Diversions*



2010 IRP Strategy

*Emphasis on Conservation,
Local Supplies, and
Storage & Transfers*

The IRP Strategy

Blueprint for Adapting to Change

Component 1:
Core Resource
Strategy



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graph LR; C1[Component 1: Core Resource Strategy] --> R1(Reliability Under Planned Conditions); C2[Component 2: Supply Buffer] --> R2(Adapt to Shorter-Term Uncertainty); C3[Component 3: Foundational Actions] --> R3(Preparation for Long-Term Change);
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Reliability Under
Planned Conditions
(eg. Historical weather)

Component 2:
Supply Buffer

Adapt to Shorter-
Term Uncertainty
(Outside of planned
conditions)

Component 3:
Foundational
Actions

Preparation for Long-
Term Change
(Climate Change, Supply
Loss, Demands)

Component 1: Core Resources Strategy

Reliability Under Planned Conditions

Water Use
Efficiency

- **20% by 2020 Retail Compliance**

Local
Resources

- **Incentives and Partnerships**

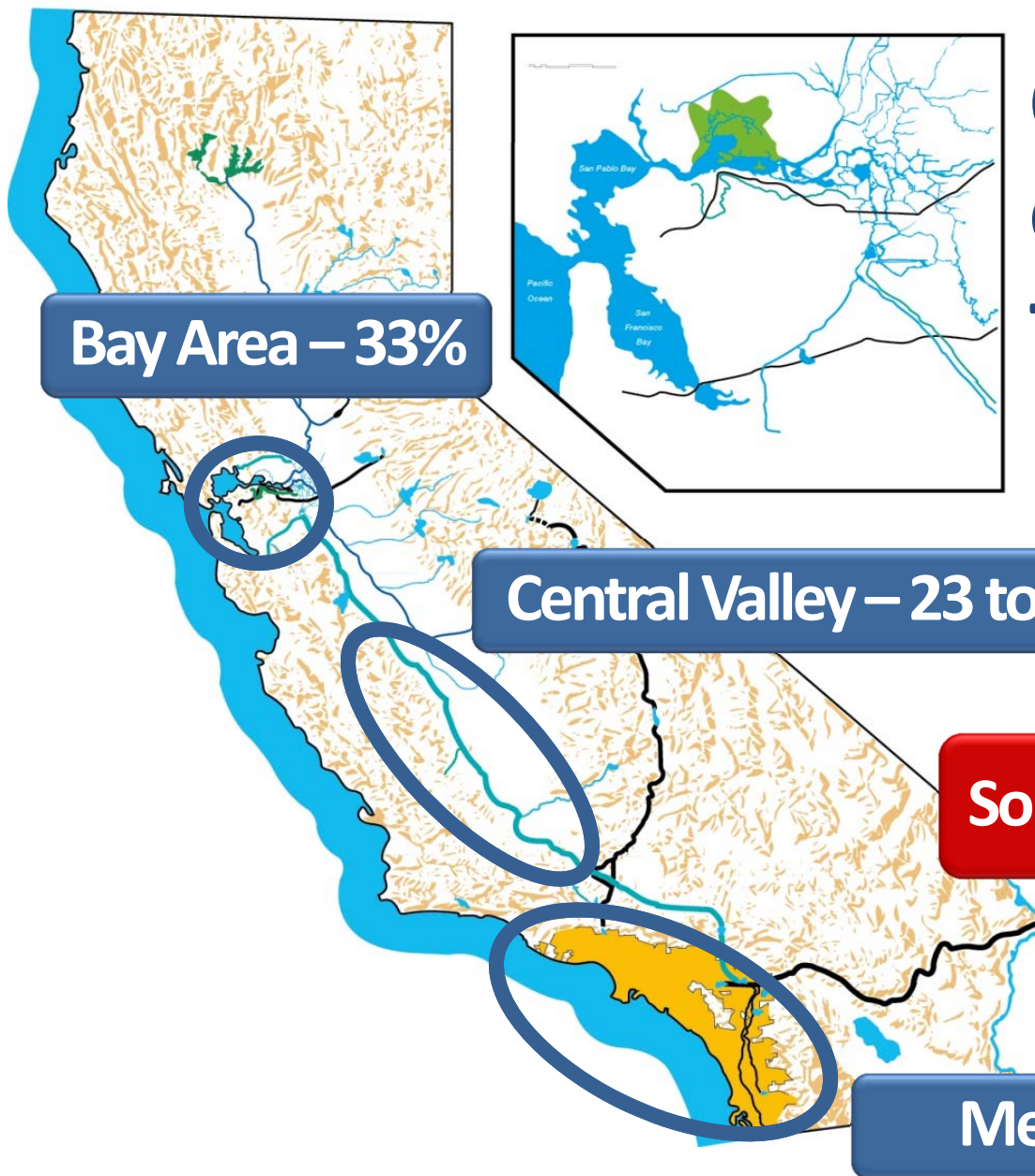
SWP

- **Delta Improvements**

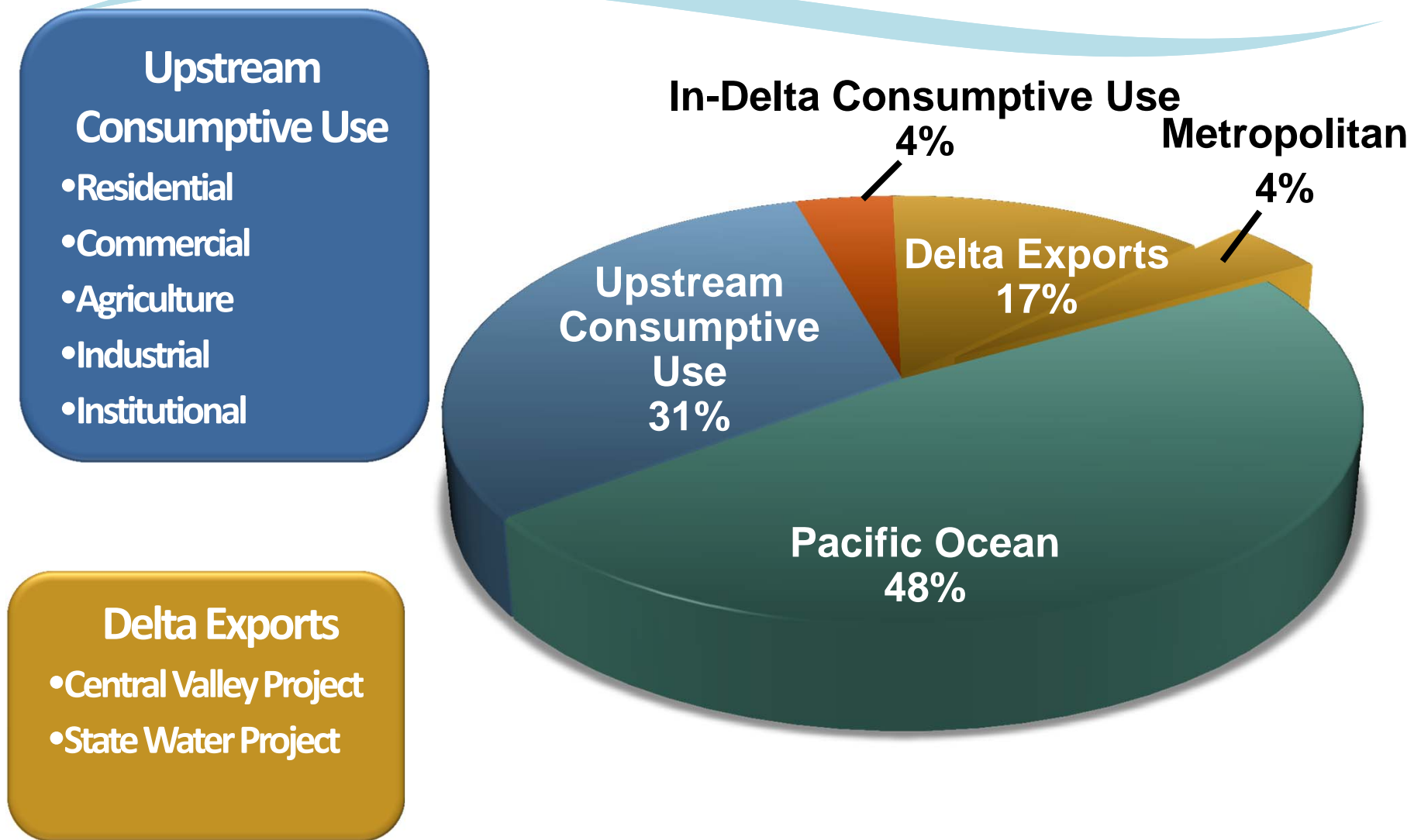
CRA

- **Dry-Year Supply Programs**

California relies on water that flows through the Delta

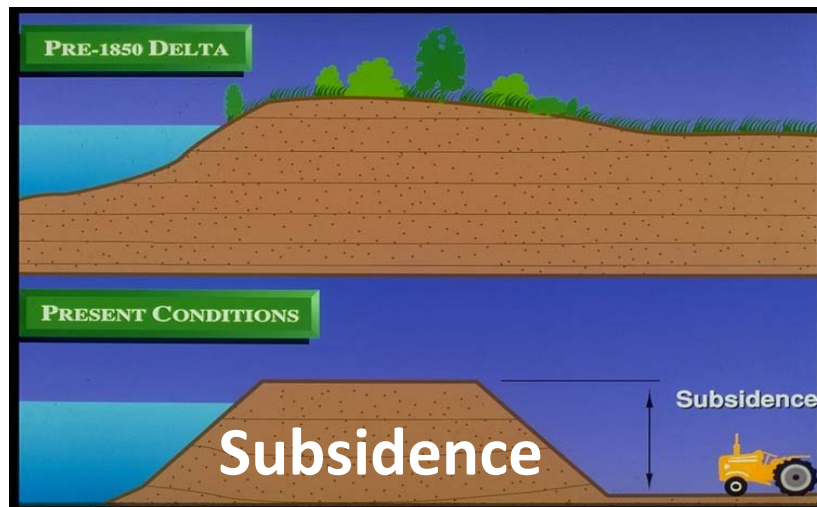
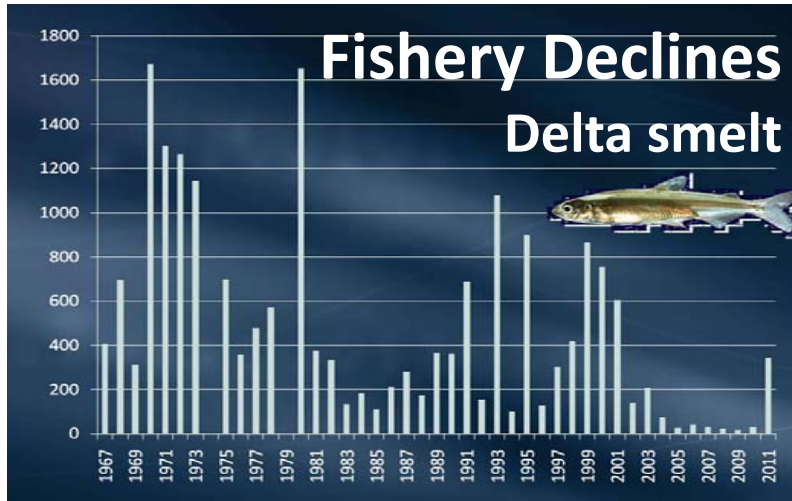


Water Flowing from the Delta Watershed



Source: Delta Vision Report -Estimated total annual runoff 32.85 maf (2007)


Key Delta Risks



Bay-Delta Conservation Plan



BDCP Project Costs



Improvements	Capital	O&M (Total 50 Years)	Funding Source
Conveyance	\$14.5 billion	\$1.5 billion	Water Contractors
Eco-Restoration & Other Stressors	\$5.2 billion	\$3.3 billion	Fed/State/Water Contractors/Other
TOTAL Capital/O&M	\$19.7 billion	\$4.8 billion	
TOTAL BDCP	\$24.5 billion		

- Users pay for new conveyance facility & mitigation
- Beneficiaries pay for habitat conservation & statewide benefits
- \$5 - 6/month per household for Southern Californians

Metropolitan's share is approximately 25 percent

Estimated costs from BDCP Administrative Draft Chapter 8 (May 2013) in undiscounted 2012 dollars. 26

Cost Comparison of Water Portfolio Projects

Metropolitan is committed to meeting future additional water supply needs through local resources and conservation



*** MWD Treated Water Rate with Delta Improvements (in 2013 dollars)**

-- Existing (\$847/AF treated rate) + Delta Improvements (\$138 - \$166/AF melded rate) = \$985 - \$1,013/AF
Local project cost ranges are based on recent reports from member agencies

Statewide Economic Report—Costs/Benefits of BDCP



- \$5 billion in overall net benefits
- 177,000 construction and habitat restoration jobs created
- \$84 billion in statewide business activity over 50-year life
- Avoidance of water shortages that could cost over 1 million jobs

Summary

- Unprecedented conditions lead to Statewide drought emergency
- Metropolitan is prepared to use storage to meet demands
- Water use efficiency is key region-wide
- Metropolitan has taken drought actions
 - Water Supply Alert
 - Conservation and Recycled Water
 - Coordination with other agencies

Summary

- Long term investments are needed to sustain reliability
 - Local Supply augmentation
 - Water Use Efficiency
 - Conservation
 - Recycled Water
 - Imported Supply stability
 - Bay-Delta Conservation Plan

